



## R+D TAX CREDITS

A guide to understanding how your business could claim a share of the approximately £1.5 billion in tax relief the government sets aside every year.



We have been helping businesses like yours get a percentage of Research and Development costs back for over six years. Are you missing out? In 2015 we helped clients receive over £600,000 in cash.

The government wants to encourage those businesses working to solve problems with technical innovation with a reduction in corporation tax or **significant cash refunds** for loss making companies.

### Technological Innovation

Under this scheme you could claim up to 33% of your R+D costs if your business is eligible for corporation tax. The amount of relief depends on your business.

**The costs incurred must be towards a product or service that is a genuine innovation.** In the words of HMRC:  
*"The advance in science and technology must involve resolution of a scientific or technological uncertainty"*

Even if you have previously ruled out claiming costs incurred, they may qualify if the development significantly improved an existing process or made it more widely available.

### Are you eligible?

If the following apply to your business then get in touch with us for your free consultation:

- Eligible to pay corporation tax
- Even as a loss making company you can claim a cash refund
- Incurred costs in the last two years that have been towards improvement of a product or service through technological development

### What costs can be included?

You can include the following costs towards a relevant development project:

- Staff cost (even as a percentage of time allocated)
- External subcontractors
- Materials such as for prototypes and testing
- Specialist software costs
- A percentage of utility costs (water, power and fuels).

We can help guide you through the entire process  
Get in touch for your free consultation



# R+D TAX CREDITS

## The Process

Even if you are unsure of your eligibility speak to us and we will guide you through the entire process:

- Free Consultation with one of our team
- Collation of your figures and documentation
- Technical and Scientifically justified report and recommendations
- Submission of your CT600 to HMRC and negotiation on your behalf
- Receive your refund

A profit making company receives this as tax relief. If the company is loss making, the business will receive a cash repayment to continue with its innovation.

Contact Us for your Free Consultation

## Why Use Davis Grant?

We are ready and waiting to help you with advice on your application. Here are just some of the reasons why our clients trust us with their R+D Tax Credit Applications:

- **Specialist expertise** - we have over 6 years experience in helping our clients to identify eligible costs
- **Proven track record** - we have handled claims from £10,000 to as much as £350,000
- **Respected advisors for over 60 years** - as a full service accountancy practice we pride ourselves on a good working relationship with HMRC
- **Personal service** - we promise a first rate personal service, so you can be sure of quality advice in a timely manner
- **Risk Free** - Our competitive fees are based on a percentage of the claim awarded and received by you. Once we make your submission, if you do not receive a refund or a reduction in tax liabilities, we will charge no fee.
- **Specialists in Technology** - we are able to draw on over 30 years of experience in grant funding for R+D, including work in Digital, Medical Technology and Education sectors.

We will ensure that HMRC understands and appreciates why your R+D costs qualify.

## What Our Clients Say

Here is what our clients have to say about working with us to receive their R+D Tax Credit:



Satish Jayakumar  
CEO & Founder  
Typeless.co

"there is a genuine care and understanding for where we are with product development and as a business"  
"they understood the business we are in and that makes it much easier to write the narrative you need to get to HMRC"

"we had a claim put in, processed and paid out in record time"

If your company makes a loss, you can choose to receive R&D tax credits instead of carrying forward a loss. It's a cash sum paid to you by HMRC.

## Example Case

Converting R&D tax relief on qualifying expenditure of £200,000 to a tax credit payment for accounting period commencing 1 April 2015 and ending 31 March 2016

<b>R+D Expenditure</b>	£200,000
<b>R+D Uplift</b>	£200,000 x 130% = £260,000
<b>Enhanced Expenditure</b>	£200,000 + £260,000 = £460,000
<b>Payable Tax Credit</b>	£460,000 x 14.5% = <u>£66,700</u>

## Getting advice

The rules surrounding R+D Tax Credits can get a little complex, but making sure you get your qualifying costs and application correct can result in a substantial cash award.

**We can help you get to the bottom of this area of tax and ensure you get the best result both now and in the future.**

Our team is waiting to hear from you  
Call 020 8477 0000

### Important Notice

The way in which tax charges (or tax relief, as appropriate) are applied depends upon individual circumstances and may be subject to change in the future.

This document is solely for information purposes and nothing in this document is intended to constitute advice or a recommendation. Whilst considerable care has been taken to ensure that the information contained within this document is accurate and up-to-date, no warranty is given as to the accuracy or completeness of any information.